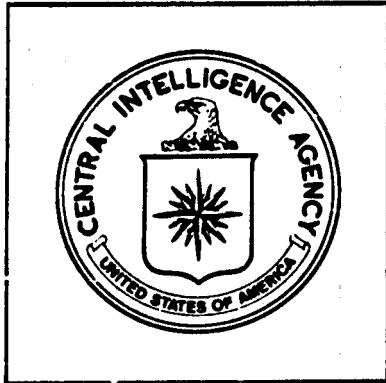


The overall exemptions are b1, b3.

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(See inside cover)  
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## Military Developments

## STAFF NOTES

~~Top Secret~~

SR SNMD-76-048C  
SC No. 03033/76  
November 3, 1976

INDONESIA-PORTUGUESE TIMOR: Situation Report

Indonesia, proceeding with plans to improve its military operations in Portuguese Timor, plans to increase the number of combat aircraft there for use in anti-insurgency operations.

[REDACTED] Jakarta is considering sending OV-10 Broncos to Dili, in East Timor. Indonesia received three Broncos from the US in September and recently completed testing the aircraft's weapons system.

Nearly two months ago Indonesia sent three armed BO-105 helicopters to East Timor. The BO-105s and OV-10s will augment the small contingent of C-47 gunships and Alouette helicopters and should substantially improve Indonesia's operations against the Fretilin.

In the past three months, the military situation in East Timor has not changed significantly. The Indonesian Ministry of Defense apparently believes that it has the military situation under control and has succeeded in destroying the Fretilin as a military force.

As a result of its military successes, Indonesia has begun to rotate and to reduce the number of its troops on the island, even though Indonesian troops control only about half of the population and territory of the former Portuguese colony. Last month the Indonesians withdrew about 3,000 troops, including those of the elite 18th Airborne Brigade. Even with this reduction, some 35,000 Indonesian troops remain on the island.

Indonesians troops continue, however, to follow the same battle plans. They have stepped up their efforts to secure communication and supply lines and root out the small bands of guerrillas operating behind their lines.

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After securing these areas, the Indonesians probably will launch new attacks against areas still occupied by the Fretilin.

The Fretilin continues to lose large quantities of military hardware and take heavy casualties. In the past two months alone the Fretilin [REDACTED] lost some 300 men and over 1,000 pieces of military equipment. In addition, the morale of the guerrillas has [REDACTED] reached a new low, and some units--including hard core guerrilla leaders--have recently surrendered. The Fretilin is now able to carry out only small, unorganized, attacks against the Indonesians. [REDACTED]

[REDACTED]

[REDACTED]